



Irish Life Weekly Investment Bulletin

The week that was – WEEK 49 (ending 08/12/2017)

“When one is willing and eager the gods join in.” - Aeschylus

Irish unemployment rate now down to 6.1% – Figures from the CSO show the unemployment rate was 6.1% in November, down from 6.3% in October and 7.5% in November 2016. This is the lowest rate since June 2008. The figures now also incorporate the new population estimates arising from Census 2016.

New cars licensed in 2017 decrease 10.5% but used imports increase 35% – According to the CSO, 126,444 new cars were licensed in the first eleven months of 2017, a decrease of 10.5% compared with the same period last year but the number of used imports licensed increased by 35.1% compared to 2016.

Global stock market up 0.5% on the week – The MSCI AC World TR Index showed a 0.48% rise from the 1st December to 8th December as expectations solidified of the major U.S. tax reform bill being implemented. Volatility, as measured by the CBOE VIX, finished the week at 9.58, down from 12.43 the previous week.

UK and EU reach agreement on ‘Irish border’, citizens' rights and ‘divorce bill’ – A jointly-authored document from the UK and EU said "Both Parties have reached agreement ... protecting the rights of Union citizens in the UK ...addressing the unique circumstances in Northern Ireland ... and the financial settlement,"

U.S. employment jumps more than expected in November – The Labor Department reported that nonfarm payrolls increased a better-than-expected 228,000 in November, compared to expectations of 200,000 while the unemployment rate was 4.1%. Average hourly earnings were up 0.2% after falling 0.1% in October.

IMF warning on risks in China's financial system – The International Monetary Fund warned of potential risks in the stability of China's banking sector. It suggested they needed to increase their capital to combat potential risks. The IMF report came a day after regulators in Beijing drafted new rules to strengthen banks.

The Story of the week: The UK Ministry of Defence has reportedly banned Chancellor Philip Hammond from using RAF jets and helicopters until he settles an unpaid six-figure bill for the Treasury's flights. He has used BAe 146 jets and A109 helicopters more than 20 times this year on official business. He has been taking the trips with the No 31 Squadron, which also deals with VIP bookings from the prime minister, foreign secretary and Brexit secretary.

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Index Performances and Market Data*

Equity and Bond Markets % (in Local Currency)	2012	2013	2014	2015	2016	2017 YTD (to 08/12)
MSCI AC World (Gross TR)	16.5	26.2	9.9	1.8	9.7	19.1
ISEQ Overall Return	20.5	35.8	16.8	33.6	-2.7	9.8
FTSE 100 TR	10.0	18.7	0.7	-1.3	19.1	7.5
Euro Stoxx 50 TR	18.1	21.5	4.0	6.4	3.7	11.8
S&P 500 TR	16.0	32.4	13.7	1.4	12.0	20.7
Nasdaq Composite	15.9	38.3	13.4	5.7	7.5	27.1
Nikkei 225	22.9	56.7	7.1	9.1	0.4	19.3
MSCI Emerging Markets	13.9	0.9	2.6	-8.0	7.1	24.1
Eurozone Government Bonds 1–5 yr	5.9	2.1	3.4	1.0	0.9	0.3
Sovereign 10yr Bond Yields (%)	2012	2013	2014	2015	2016	2017 YTD
U.S.	1.7	3.0	2.2	2.2	2.4	2.4
German	1.4	1.9	0.5	0.6	0.2	0.3
UK	1.9	3.0	1.9	1.9	1.2	1.2
Japan	0.7	0.7	0.3	0.2	0.0	0.0
Ireland	4.5	3.4	1.3	1.1	0.7	0.5
Italy	4.6	4.1	2.1	1.6	1.8	1.6
Greece	12.7	8.2	9.6	7.9	7.1	5.1
Portugal	6.9	6.1	2.7	2.5	3.8	1.8
Spain	5.4	4.1	1.6	1.7	1.4	1.4
Central Bank Rates (%)	2012	2013	2014	2015	2016	2017 YTD
ECB	0.75	0.25	0.05	0.05	0.0	0.0
Bank of England	0.5	0.25	0.50	0.50	0.25	0.50
U.S. Federal Reserve	0.25	0.25	0.25	0.50	0.75	1.25
Foreign Exchange Rates	2012	2013	2014	2015	2016	2017 YTD
Euro/Dollar (€/\$)	1.31	1.37	1.21	1.09	1.04	1.17
Euro/Sterling (€/£)	0.81	0.83	0.78	0.75	0.84	0.88
Sterling/Dollar (£/\$)	1.61	1.65	1.56	1.46	1.24	1.35
IPD All Property Return % (in Local Currency)	2012	2013	2014	2015	2016	2017
Ireland	3.1	12.7	40.1	25.0	12.8	6.9% (to end of Q3)
U.K.	2.7	10.7	17.8	13.1	3.6	7.1% (to end of Q3)
U.S.	5.3	11.4	11.2	12.1	7.8	3.3% (to end of Q2)

*Past performance is not a reliable guide to future performance